

August 1, 2011

Paul Amundson
District Administrator
School District of Omro
455 Fox Trail
Omro WI 54963-1198

Dear Mr. Amundson:

The School District of Omro has requested a 2010 Qualified School Construction Bond (QSCB) allocation, as provided for in the American Recovery and Reinvestment Act of 2009 (ARRA). This letter confirms an allocation of \$1,000,000 in ARRA QSCB issuance authority to the School District Omro.

Allocation of Wisconsin's QSCB issuance authority was determined based upon the following criteria:

- The school district has passed a referendum or has a board approved resolution to issue non referendum debt that has not been petitioned for referenda.
- The district has proposed to use the project proceeds for a qualified purpose as defined by the American Recovery and Reinvestment Act of 2009 and the federal Internal Revenue Code.
- The districts project addresses at least one of the following priorities: Science, Technology, Engineering, and Math (STEM); Early Childhood, 4-year-old kindergarten; Green and Healthy Schools; or Safe and Healthful Schools.

Additional information about the QSCB program is available on the department's ARRA website or directly at <http://dpi.wi.gov/sfs/QSCB.html>.

To facilitate transparency, accountability, and reporting of the use of the proceeds of the QSCB issue in accordance with the requirements of the ARRA of 2009, districts should use Fund 45 to record transactions related to QSCB. At this time, fund 45 should roll into fund 49 when completing the PI 1504 Budget and PI 1505 Annual Report.

Districts are also required to comply with the Davis Bacon Act. The Davis Bacon Act, requires each contract over \$2,000 financed by federal assistance to include a requirement that the contractor will comply with the requirements of the Davis Bacon Act. This includes a requirement for the contractor to submit to the district weekly a copy of the payroll and a certification of compliance. Information about the Davis Bacon Act and prevailing wage determinations is available at the U.S. Department of Labor <http://www.dol.gov/esa/whd/programs/dbra/index.htm>. The Department of Labor has issued a memorandum providing school districts guidance concerning the applicability of Davis-Bacon to QSCB and QZAB <http://www.dol.gov/whd/recovery/AAM208.pdf>

The department's role in the QSCB program is to provide an allocation of Wisconsin's QSCB issuance authority to local education agencies. It is the district's responsibility to meet federal Internal Revenue Service and state statutory requirements for the issuance of QSCB debt.

Mr. Paul Amundson
Page 2
August 1, 2011

Please contact Brian Kahl at 608-266-3862 or brian.kahl@dpi.wi.gov with any questions concerning the QSCB allocation.

Sincerely,

A handwritten signature in cursive script that reads "Jerry Landmark".

Jerry Landmark, Director
School Financial Services
608-266-6968
Jerome.landmark@dpi.wi.gov

cc: Brian Pahnke, Assistant State Superintendent, Finance and Management